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# California Regional Water Quality Control Board

## Santa Ana Region



**Terry Tamminen**  
Secretary for  
Environmental  
Protection

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**Arnold  
Schwarzenegger**  
Governor

February 6, 2004

Mr. James P. Shinehouse  
Marquardt Corporation  
Subsidiary of Ferranti International, Inc.  
3725 Electronic Way  
Lancaster, PA 17604

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**DIRECTIVE TO SUBMIT COPIES OF DOCUMENTS OBTAINED DURING RECORDS  
INVESTIGATION CONCERNING PERCHLORATE DISCHARGES IN THE CITY OF  
RIALTO, SAN BERNARDINO COUNTY, CALIFORNIA**

Dear Mr. Shinehouse:

Thank you for your response to my June 26, 2003 Directive to Conduct a Records Investigation and Submit a Report Concerning Perchlorate Discharges (Directive) in the Rialto, Colton and Chino Groundwater Basins, San Bernardino County. This Directive was issued pursuant to California Water Code (Porter-Cologne) Section 13267.

Though you did not submit your response to my Directive by the July 31, 2003 deadline, three separate responses were received. In summary, the responses stated that:

- Marquardt retained SCS Engineers (SCS) to conduct the records investigation and provide the report;
- SCS found no records of Marquardt's activities at the Rialto facility;
- SCS relied upon certain assessments of Marquardt's Van Nuys facility operations to determine the use of perchlorate by Marquardt at the Rialto facility;
- Marquardt sold the Rialto facility, including its liabilities, in 1992; and
- SCS located a number of former employees of the Rialto facility, and interviewed two of those employees (Mr. Dirado and Mr. Minser).

This letter is being sent to further direct Marquardt to provide all documents that were relied upon in preparing each response to the June 26, 2003 directive. These documents include, but are not to be limited to: leases, final inventory, permits, sales contracts, grant deeds; contact information and interview records, declarations, and/or depositions of Mr. Dirado and Mr. Minser; and the names and contact information of other former employees that were located and/or contacted with regard to the Marquardt Rialto facility. In addition, you are directed to provide copies of the Marquardt Van Nuys facility documents that SCS utilized in asserting that liquid fuels were exclusively used in the manufacture, testing and research at that site; copies of all records that were relied upon by SCS in their assertion that the sale of Marquardt in 1992 included all of its liabilities; and an explanation of the process that SCS used to identify and contact former Marquardt employees.

***California Environmental Protection Agency***



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February 6, 2004

This letter sets forth a requirement under California Water Code Section 13267 that Marquardt provide the additional documentation as stated herein. As required by that provision, this letter contains an explanation of the need for the investigation, and cites evidence supporting the requirement.

#### Background

Perchlorate contamination was first detected in groundwater in the Rialto, Colton, and Chino Groundwater Subbasins in 1997. At that time, the California Department of Health Services (DHS) Action Level (AL) for perchlorate in drinking water was 18 parts per billion (ppb). Two wells had perchlorate levels exceeding 18 ppb and were shut down. In January 2002, the DHS lowered the AL to 4 ppb. In response to the reduced AL for perchlorate, the local water purveyors in the Rialto and Colton Groundwater Subbasins restricted or eliminated the use of additional production wells with perchlorate concentrations that exceeded 4 ppb. Between 1997 and the present, various suspected perchlorate dischargers, including previous and current occupants of your former property on Stonehurst Drive in Rialto have been identified.

#### Requirement for Additional Records Investigation

The Regional Board has directed staff to issue individual letters under California Water Code Section 13267 to suspected perchlorate dischargers in the Rialto and Colton Groundwater Subbasins. Several letters similar to this one have already been issued to other suspected dischargers and to the owners of affected properties.

#### The Need for Additional Records Investigation

The Santa Ana Regional Water Quality Control Board is charged with the protection of water quality in this Region. We have been working actively with the water purveyors for several years to identify the extent and address the impact of perchlorate contamination on water resources in the Rialto, Colton and Chino Groundwater Subbasins. The water purveyors whose wells have been contaminated with perchlorate now face a state of emergency, and may not be able to provide an adequate water supply to their customers. It is urgent that the sources of the contamination be identified, and the magnitude of the perchlorate plume defined.

#### Evidence Supporting the Need for Additional Records Investigation

The evidence indicates that SCS conducted a records search of Marquardt's Rialto and Van Nuys facility operations and located a number of former employees of Marquardt's facilities. In addition, SCS interviewed two of the former Rialto employees (Mr. Dirado and Mr. Minser). SCS also concluded that Marquardt sold the Rialto facility, including its liabilities, in 1992. In your response to the 13267 Directive, Marquardt and SCS did not provide Board staff with copies of any of the supporting historical documents pertaining to Marquardt's activities at its former Rialto site. In order to evaluate the conclusions made by Marquardt and SCS in the report, copies of the historical records



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must be made available to Board staff. This evidence supports the requirement for additional information as part of this investigation as defined in Section 13267(b)(1) of the California Water Code.

Deadlines

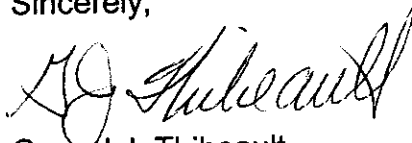
By March 4, 2004, a report containing the following information, and documents supporting that information, shall be submitted to the Regional Board:

1. Copies of the historical records that were reviewed and utilized in preparing each of Marquardt's three responses to the June 26, 2003 Directive, including, but not limited to, leases, final inventories, permits, sales contracts and grant deeds.
2. Contact information and copies of transcripts from interviews, declarations, and/or depositions of Mr. Dirado and Mr. Minser, and the names and contact information of all other former employees of Marquardt that were contacted with regard to the Marquardt Rialto facility.
3. Copies of Marquardt Van Nuys facility documents that were reviewed and utilized by SCS to determine that liquid fuels were exclusively used in the manufacture, testing and research at that site.
4. An explanation of the process that was used in identifying and contacting former employees, and copies of all records that were utilized to determine that all liabilities were included in the sale of the Marquardt facility in Rialto.

**Failure to submit the required information by the specified deadline may subject you to administrative civil liability in the amount of up to \$1,000 per day, pursuant to Section 13268(a) and (b) of the California Water Code.**

If you have any questions regarding this letter, or if you would like to arrange a meeting or teleconference, please contact Kamron Saremi, Project Engineer, at (909) 782-4303, or you may call Ann Sturdivant, Chief of our Spills, Leaks, Investigations and Cleanups Section, at (909) 782-4904.

Sincerely,



Gerard J. Thibeault  
Executive Officer

cc: Regional Board Members  
Jorge Leon, SWRCB, OCC  
Inland Empire Perchlorate Regulatory Task Force Members (mailing list attached)

